



**Order under Section 16.1 of the Statutory Powers Procedure Act and the Residential Tenancies Act, 2006**

**Citation:** Wakunick-Fleury et al. v Star Towers Ltd et al., 2024 ONLTB 68104

**Date:** 2024-09-17

**File Number:** LTB-T-005463-24, LTB-T-005460-24 and LTB-T-005459-24

**In the matter of:** A, B AND D 147 DIVISION ST  
WELLAND ON L3B1A4

Tenants

**Between:** Morgaine Fae Wakunick-Fleury, Stephanie Ann Wakunick and Jasmine-Lynn Carriere-Loney

**And**

Landlords

Star Towers Ltd, Haroon Rashid, Bushar Rashid and Aniq Maria Rashid

The order relates to LTB file numbers LTB-T-005463-24, LTB-T-005460-24 and LTB-T-005459-24, and Units A, B and D at 147 Division St in Welland, which is also known as 52-56 Hellems Ave.

Morgaine Fae Wakunick-Fleury (Unit A), Stephanie Ann Wakunick (Unit B) and Jasmine-Lynn Carriere-Loney (Unit D) (the 'Tenants') applied for an order against Star Towers Ltd ('Star Towers').

These applications were heard by videoconference on August 26, 2024. The Tenants attended the hearing. Haroon Rashid, a shareholder, officer and director of Star Towers, was also in attendance. Peter Giblett represented Star Towers. Claire Hardy was present to assist the Tenants.

**Determinations:**

**I. Background**

1. The residential complex is a multi-storey mixed-use building owned by Star Towers. The basement of the complex is vacant. There is one residential unit and three or four commercial units on the first floor of the complex. There are seven residential units on the second floor of the complex. The Tenants occupy three residential units—Units A, B and D—on the second floor.
2. These applications are but three of the many proceedings filed concerning Units A, B and D of 147 Division St. The various proceedings of which I am aware, and the status of each application is identified in the attached Schedule A.

3. The history of these matters, before me anyway, began when Star Towers filed L2 applications asking the LTB to terminate the tenancies and evict the Tenants based on the assertion that it required possession of the rental units because it intended to demolish them—LTB-L-021119-22 (Unit A), LTB-L-070236-22 (Unit B) and LTB-L-021119-22 (Unit D)<sup>1</sup>.
4. I heard those applications on December 19, 2022. In an order issued on January 12, 2023, I dismissed two of the applications—LTB-L-021119-22 (Unit A) and LTB-L-021119-22 (Unit D)—because they did not comply with subsection 71.1(3) of the *Residential Tenancies Act, 2006* (the 'RTA') RTA. **[See DOC-567152]** The other application—LTB-L-070236-22 (Unit B)—was withdrawn by Star Towers.
5. Star Towers filed further L2 applications again asking the LTB to terminate the tenancies and evict the Tenants based on the assertion that it required possession of the rental units because it intended to demolish them—LTB-L-006653-23 and LTB-L-026900-23 (Unit A), LTB-L-006673-23 and LTB-L-026907-23 (Unit B), and LTB-L-006668-23 and LTB-L-026909-23 (Unit D).
6. I heard those applications on March 20, 2023 and June 26, 2023. I dismissed all of them in a lengthy order issued on September 29, 2023 (the '29 Sep 23 Order'). **[See DOC-1999114]**
7. In the 29 Sep 23 Order, I found that the N13 notices delivered to the Tenants by Star Towers were not valid because they indicated the reason Star Towers required possession of the units was demolition when, in fact, what Star Towers was proposing was to repair or renovate the units.
8. On December 13, 2023, Star Towers filed further L2 applications-- LTB-L-094923-23 (Unit A), LTB-L-094924-23 (Unit B) and LTB-L-094925-23 (Unit D)—again asking the LTB to terminate the tenancies and evict the Tenants, but this time based on the assertion that it required possession of the rental units because it intended to repair or renovate them. Those applications are stayed due to the failure of Star Towers to pay administrative fines imposed by the LTB.
9. Star Towers has also filed L1 applications asking the LTB to terminate the tenancies and evict Ms Carriere-Loney and Ms Wakunick. Those applications have either been dismissed or are stayed as a result of the failure of Star Towers to pay administrative fines imposed by the LTB.
10. The Tenants have filed multiple T1, T2 and T6 applications seeking compensation from Star Towers.
11. On 18 September 2023, two of the Tenants of units A and D filed T2 applications—LTB-T-073181-23 (Unit A) and LTB-T-073194-23 (Unit D)—in which they asserted, essentially, Star Towers had started to renovate or repair the complex without obtaining an order from the LTB. The Tenants asserted: (a) Star Towers had interfered with—turned off—the supply of electricity and water to the units; and (b) on September 17, 2023, individuals hired by Star Towers began to demolish the second floor of the complex. **[See DOC-2138196]**
12. On September 22, 2023, Welland Fire and Emergency Services ('WFES') issued an Inspection Order under section 21 of the *Fire Protection and Prevention Act, 1997* that

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<sup>1</sup> There was a third application—LTB-L-021109-22—but the tenants of that unit appear to have vacated at some point.

required Star Towers to address by October 12, 2023 the impact of what happened on September 17, 2023, which was described in the Inspection Order as ‘demolition activities initiated by the owner while residential units remained occupied’. **[DOC-21300708 Tabs 13]**

13. On September 22, 2023, based on the issues identified in the Inspection Order, the Fire Marshal closed the complex and removed the Tenants from the complex. **[DOC-21300708 Tabs 12 and 13]** The City of Welland provided the Tenants with temporary accommodations.
14. The LTB scheduled an urgent hearing of LTB-T-073181-23 (Unit A) and LTB-T-073194-23 (Unit D) for October 30, 2023 to determine if there was a need for the LTB to make interim orders.
15. For the attendance on October 30, 2023, Mr Rashid swore an affidavit on October 27, 2023 in which he:
  - (a) did not dispute that the supply of electricity and water to the units had been interrupted, but claimed not to know how the supply of electricity or water to the units was interrupted and blamed any interruption on the condition of the complex; and
  - (b) claimed Star Towers had not hired the individuals who entered the building on September 17, 2023, asserted that the individuals had entered the complex illegally and without his authorization, and referred to them as ‘vandals’. **[DOC-2184886]**
16. The allegations made by the Tenants as to what happened on September 17, 2023 have not yet been proven, but I have serious doubts about Mr Rashid’s assertion that the individuals who entered the complex on September 17, 2023 were ‘vandals’.
17. I note:
  - (a) Pictures filed by the Tenants show that windows<sup>2</sup> were removed from their frames rather than smashed. **[DOC-1963846 and DOC-1963850]**
  - (b) A video<sup>3</sup> filed by the Tenants, which appears to have been taken on September 17, 2023, shows two neatly dressed individuals in the later stages of removing lathe and plaster from a wall in the complex. The video shows the hallway floor in what appears to be a ‘broom-swept’ condition, and the lathe piled along one wall. **[DOC-2130707]**
18. I also note there is no evidence Mr Rashid filed a police report or made an insurance claim based on the incident that occurred on September 17, 2023 and I find it **very suspicious**—to the point that I find it hard to believe—that random individuals would break into a building in the middle of the day with tools and begin to demolish the interior of the building for no apparent reason and, assuming that did take place, the owner would not file a police report or insurance claim.

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<sup>2</sup> The second floor of the complex has a central hallway and the units have windows onto that hallway.

<sup>3</sup> In written submissions, Mr Giblett did not deny the authenticity of the video, but asserted Mr Rashid was not familiar with the individuals and they were not ‘authorized’ to enter the building: see DOC-2179684

19. At the October 30, 2023 hearing, the Tenants confirmed that they were living in (temporary) accommodations provided by the City of Welland. As a result, no order was made by me arising out of that attendance, although I advised Mr. Rashid that the Tenants would not be required to pay rent until they could again live in their units.
20. On January 22, 2024, the Tenants filed these applications, in which they asserted the Fire Marshall had turned the complex back over to Mr. Rashid and Star Towers on January 17, 2024, but Star Towers would not provide them with keys to their units or the complex.
21. I note that in an e-mail to Ms Hardy on January 17, 2024, Michael Atkins, a Fire Prevention Officer with WFES indicated:

*This email will confirm that at approximately 3:15pm today (Wednesday, January 17, 2024) I met with Mr. Rashid for the purpose of releasing the property located at 52 Hellems Avenue (aka 147 Division Street), City of Welland back into his control as Director of Star Towers LTD —property owner.*

*The Authorization To Close the premises has been lifted. Welland Fire and Emergency Services no longer has control of the building. The tenants are free to return to their units.*

*When I met with Mr. Rashid this afternoon, I reminded him that the tenants had been temporarily displaced due to fire safety concerns that have now been rectified. I emphasized that the tenants have not been evicted and that they remain legal occupants of the building. I informed him that your tenants wish to have access to their units on Saturday, January 20th and noted that keys to the new apartment doors have not yet been provided to them.*

*Mr. Rashid stated that he will make arrangements to provide keys to your tenants through his paralegal —Peter.*

*To be clear: The Authorization To Close has been lifted. As far as the fire department is concerned the tenants are allowed to return to their units. I am not aware of legal grounds for preventing the tenants from returning to their units.*

*At this time, Welland Fire and Emergency Services will continue to provide housing for the displaced tenants at a hotel until such time as arrangements can be made for them to safely return to their units or until they choose to vacate their hotel rooms. Mr. Rashid has been informed that costs related to housing the displaced tenants in a hotel will continue to be subject to cost recovery fees that will be invoiced to him. Welland Fire and Emergency Services will provide notice should there be a change in this arrangement. **[See DOC-3962717 Tab F]***

22. I scheduled an urgent attendance on March 8, 2024 to determine if an interim order restoring the Tenants to possession of their units was warranted.
23. No one from Star Towers appeared before me on March 8, 2024 and Star Towers did not file any materials for the attendance, although it was clear Star Towers was aware of the hearing. Mr. Giblett attended briefly to express his frustration that I did not reschedule the hearing based on an e-mail he had sent to the LTB on February 9, 2024, but also indicated

that he had no instructions from Star Towers and had not (yet anyway) been retained to represent Start Towers on these applications.

24. I proceeded on March 8, 2024 based on the evidence of the Tenants.
25. On March 11, 2024, I issued an order (the '11 Mar 24 Order') in which I directed Star Towers to put the Tenants back into possession of their units by 17:00 on March 14, 2024, failing which it would be required to pay a \$500.00 administrative fine for every day it failed to comply. **[See DOC-2922735]**
26. Star Towers did not comply with the 11 Mar 24 Order.
27. On March 18, 2024, the Court Enforcement Officer (Sheriff) enforced the 11 Mar 24 Order and put the Tenants back into possession of their units. **[DOC-3008540]** However, after the Court Enforcement Officer (Sheriff) enforced the 11 Mar 24 Order, Star Towers changed the locks to the units without providing the Tenants with keys in contravention of section 24 of the RTA.
28. On March 18, 2024—the day the Court Enforcement Officer (Sheriff) enforced the 11 Mar 24 Order—Star Towers asked the LTB to review the 11 Mar 24 Order based on the assertion that it was not reasonably able to participate in the hearing in on March 8, 2024. **[DOC-2973177]** That request was dismissed. **[See DOC-3276283]**
29. Rather than addressing the issues identified in the Inspection Order to permit the Tenants to go back into possession of their units and then proceeding with the L2 applications that it had filed in December of 2023, Star Towers appears to have decided to take advantage of the fact the Tenants were no longer in possession of their units to 'gut' the units such that they were rendered completely uninhabitable. **[See DOC-3008540 and DOC-3312970 Tab 6]** This left the Tenants in rather dire straights because the City of Welland was no longer able to provide housing support based on the complex having been turned back over to Mr Rashid and Star Towers. **[See DOC-3310577]**
30. I convened an urgent hearing for May 10, 2024 to address the situation faced by the Tenants.
31. On May 10, 2024, Mr. Giblett represented Star Towers and Ms Hardy represented the Tenants. Based on an arrangement that Mr Giblett and Ms Hardy negotiated, I issued a (consent) interim order (the '21 May 24 Order')<sup>4</sup> that required Star Towers to make certain monthly payments to the Tenants beginning June 1, 2024. **[See DOC-3320618]** The payments Star Towers was required to make were intended to compensate the Tenants for the difference between the costs of their (temporary) accommodations and the rent they were required to pay for the units, plus the out-of-pocket expenses being incurred by the Tenants for storage.

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<sup>4</sup> At the attendance on August 26, 2024, Mr. Rashid indicated that he had not consented to and was not aware of the 21 May Order. That is, in my view, an issue between Mr. Rashid and Mr. Giblett because Mr. Giblett clearly indicated to me on May 21, 2024 that the order I was being asked to make was on consent and there was no request made by Star Towers to amend or vary the 21 May Order after it was issued.

32. On June 13, 2024, the Tenants sent an e-mail to the LTB indicating that Star Towers had not made the payments required by the 21 May 24 Order on June 1, 2024 and requested an urgent hearing before the LTB. **[See DOC-3584175]**
33. I scheduled the attendance on August 26, 2024 to address Star Towers' non-compliance with the 21 May 24 Order.
34. On August 19, 2024, I issued an endorsement (the '19 Aug 24 Endorsement') in which I identified to the parties that on August 26, 2024, I intended to address the following issues:
- (a) where the LTB should exercise jurisdiction under section 202 of the RTA to disregard the separate corporate existence of Star Towers;
  - (b) whether the shareholders of Star Towers should be made responsible for the payment required by the 21 May Order; and
  - (c) whether the LTB should make an order requiring Star Towers and the shareholders to complete whatever work to the units is necessary to allow the Tenant to retake possession of their units. **[See DOC-3953410]**
35. In the 19 Aug 24 Endorsement, I directed that:
- (a) the shareholders of Star Towers be in attendance on August 26, 2024; and
  - (b) Star Towers and the shareholders attend on August 26, 2024 with a detailed plan to complete the work required to allow the Tenants to retake possession of their units.
36. For the attendance on August 26, 2024, the Tenants uploaded a package of documents to TOP. **[See DOC-3962635]** Those documents included an e-mail from Mr. Giblett from June 3, 2024 in which he indicated: '[I]ast week the Bank repossessed the building.' When the Tenants requested copies of the relevant documents, Mr. Giblett refused to provide them to the Tenants.
37. Based on my jurisdiction under subsection 201(1) of the RTA, I retrieved the PIN for the complex. Based on that document it appears:
- (a) Star Towers purchased the complex in April of 2026 for \$627,000.00;
  - (b) in February of 2019, Star Towers granted a \$775,000.00 charge/mortgage of land to Royal Bank of Canada ('RBC');
  - (c) in September of 2023, Star Towers granted a \$200,000.00 charge/mortgage of land to 1553357 Ontario Inc. ("1553 ON"); and
  - (d) in January of 2024, Star Towers granted a \$470,000.00 charge/mortgage of land to 1553 ON.
38. In an order issued on August 21, 2024, (the '21 Aug 24 Order'), I directed:

- (a) Mr. Giblett to, by no later than 17:00 on Friday, August 23, 2024, upload to TOP copies of all demands and enforcement documents relating to the purported enforcement by RBC and/or 1553 ON; and
- (b) if it was 1553 ON that has enforced one of its charge/mortgages and taken possession of the complex, an officer or director of 1553 ON be in attendance on August 26, 2024.

39. In the 21 Aug 24 Order I also directed the shareholders of Star Towers to attend the hearing on August 26, 2024.

## II. August 26, 2024 Hearing

### A. Request for Adjournment

40. At 09:00 on August 26, 2024, the Tenants were in attendance. Mr. Giblett joined the hearing at 09:05.

41. Mr. Giblett requested an adjournment because Mr. Rashid could not attend the hearing. I denied that request and stood the hearing down until 10:00 to allow Mr. Giblett to contact Mr. Rashid. As it turned out, Mr Rashid could attend the hearing and we resumed at 09:40.

### B. Compliance with 21 May 24 Order

42. Mr. Rashid did not dispute that Star Towers has not made any of the payments required by the 21 May 24 Order. Mr. Rashid's reason for Star Towers not making the—payments that I find Mr. Rashid, as a director and shareholder of Star Towers, agreed would be paid—was that Star Towers has no money and is, as a result, unable to make the required payments. There was, however, no evidence concerning the finances of Star Towers filed for the purpose of the hearing on August 26, 2024.

43. I asked Mr. Rashid what happened to the \$670,000.00 Star Towers borrowed from 1553 ON in January of 2024. Mr. Rashid indicated it had all been spent on making repairs to the complex. I find this statement hard to reconcile with Mr. Rashid's assertion in the affidavit he swore on October 27, 2023, to the effect that Star Towers had not, at least as of October 27, 2023, hired anyone to do work at the complex. **[See DOC-2184886]**

### C. Charge/Mortgage Enforcement

44. Mr Giblett did not comply with my direction to upload copies of all demands and enforcement documents to TOP by 17:00 on August 23, 2024. In fact, Star Towers uploaded nothing to TOP for the purpose of the hearing on August 26, 2024.

45. When I inquired of Mr. Giblett as to why he had not complied with the 23 Aug 23 Order, Mr. Giblett indicated that while he had been provided with what he believed were the demands and enforcement documents he did not have instructions from his client(s) to upload the documents to TOP. I directed Mr. Giblett to upload to TOP the documents he had been provided to TOP and he complied with my direction.

46. Mr. Giblett uploaded to TOP a demand letter from Lerner's LLP to Star Towers dated May 17, 2024 (the Lerner's 17 May 24 Letter') referencing loans by RBC directly to Star Towers and a corporation named 2141239 Ontario Inc. ('2141 ON') guaranteed by Star Towers. Mr. Giblett indicated that this was the only document provided to him by the Mr Rashid. There is no evidence RBC—or 1553 ON—has taken possession of the complex and become a 'mortgagee in possession'.
47. Mr. Rashid initially indicated the only document he had received from RBC was the Lerner's 17 May 24 Letter'. Mr. Rashid then changed his story and indicated that there might be a further document from RBC giving him time to pay or find an investor and he referred to a 'forbearance letter.' I stood the matter down until 10:30 to allow Mr. Rashid to send that document to Mr. Giblett so that it could be uploaded TOP.
48. Mr. Giblett uploaded:
  - (a) a witnessed, but unsigned, resolution of the directors of a company named 2141239 Ontario Inc. ('2141 ON') purporting to consent to the making of a bankruptcy order appointing Mr. Rashid as trustee of the bankruptcy estate;
  - (b) a signed and witnessed consent to bankruptcy signed by Mr. Rashid and purporting to appoint Mr Rashid as the trustee of his own bankruptcy estate;
  - (c) a signed consent in Superior Court Action CV-24-00003530-000 in which Star Towers and 2141 ON purport to consent to the appointment of Mr. Rashid as a receiver or receiver manager of Star Towers and 2141 ON;
  - (d) an acknowledgement of receipt in Superior Court Action CV-24-00003530-000;
  - (e) a Statement of Claim in Superior Court Action CV-24-00003530-000 issued on July 11, 2024 in which RBC has asked for, among other things, possession of the residential complex and another property located at 387-391 St Paul St in St Catharines; and
  - (f) a signed, but undated consent to judgment in Superior Court Action CV-24-00003530-000. **[DOC-40000445]**
49. Mr. Giblett also uploaded an unsigned forbearance agreement dated July of 2024. **[DOC-4000536]** Mr. Rashid advised me that he had signed this agreement.
50. Mr. Rashid indicated that he was making progress in finding an investor or purchaser for the complex.
51. I heard from Ms Wakunick on behalf of the Tenants on the documents Mr Giblett uploaded to TOP.
52. The forbearance agreement gives Star Towers and 2141 ON until October 1, 2024, to reach an accommodation with RBC, subject to there being no events of default. One of the events of default is a material adverse change, which would likely include an order requiring that Star Towers bring the complex into compliance with the applicable by-laws and building codes. For that reason, I decided not to order Star Towers or the Shareholders to complete



the work necessary to allow the Tenant to retake possession of their units. However, I told Mr Rashid that I would require disclosure of the steps taken to secure an investor or find a purchaser for the complex by September 13, 2024<sup>5</sup>. I also told Mr. Rashid that I would require the LTB to be updated on the status of the forbearance arrangements with RBC by October 6, 2024. In response to my direct questions, Mr Rashid confirmed that he understood both what would be required and that he could provide the required information by the specified dates.

#### D. Disregarding Separate Corporate Existence

53. At the beginning of the hearing on August 26, 2024, Mr. Giblett advised me that it was his information that the sole shareholder of Star Towers is Mr. Rashid. Mr. Rashid indicated, however, that he, his wife—Bushra Rashid—and his daughter—Aniqa Maria Haroon Rashid—are the shareholders of Star Tower. Bushara Rashid and Aniqa Rashid are also directors of Star Towers.
54. Bushara Rasid and Aniqa Rashid did not comply with my directions to attend on August 26, 2024. Mr. Rashid indicated that Bushra Rashid was aware of what was happening on these applications, but Aniqa Rashid was not because Mr. Rashid did not want to worry her. Mr. Rashid further indicated that there was no objection to the LTB making him, Bushar Rashid or Aniqa Rashid (the ‘Shareholders’) personally liable because they had no money and could not pay any amount that the LTB might order be paid by them to the Tenants. However, later in the hearing when I explained to Mr. Rashid that I was making an order that would result in the Shareholders being personally liable for the monthly amounts owing under the 21 May 24 Order from September 1, 2024, Mr. Rashid changed his tune and asserted that I had to respect the separate corporate existence of Star Towers.
55. As was noted in the 19 Aug 24 Endorsement, the LTB has jurisdiction under section 202 of the RTA to disregard the corporate existence of a landlord.
56. As was noted in *642947 Ontario Ltd. v. Fleischer* [2001 CanLII 8623 (ON CA)], the separate legal personality of a corporation is a fundamental principle of corporate law and should be disregarded in only exceptional cases. At common law, the corporate veil will typically be ‘pierced’ to impose liability on shareholders only where to respect the separate legal personality of the corporation would be flagrantly unjust.
57. In my view, the LTB’s statutory jurisdiction to ignore the separate corporate existence of a landlord is somewhat broader than at common law and allows the LTB to ‘pierce’ the corporate veil in circumstances where doing so is necessary to protect the interests of tenants. The Court of Appeal has repeatedly found that the RTA has a ‘tenant protection focus’. [See *Slapsys (1406393 Ontario Inc.) v Abrams*, 2010 ONCA 676 (CanLII), *Elkins v. Van Wissen*, 2023 ONCA 789 (CanLII) and *Price v. Turnbull's Grove Inc.*, 2007 ONCA 408 (CanLII)] and the Divisional Court has found the the RTA should be interpreted to ensure the realization of its objectives [*Schram v. Thompson*, 2022 ONSC 6922 (CanLII)]. Section 202 of the RTA is, in my view, intended to ensure that the LTB is able to do justice between landlords and tenants, and should be interpreted and applied accordingly.

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<sup>5</sup> I have extended that to September 30, 2024 due to administrative delays experienced in getting this order issued.

58. In *Shoppers Drug Mart Inc. v. 6470360 Canada Inc.* [2014 ONCA 85 (CanLII)], the Court of Appeal found that the separate existence of a corporation could be ignored where those in control directed the corporation to do a wrongful act. Essentially, a person cannot use a corporation to commit a wrong and thereby avoid liability for the consequences of their actions. [See *FNF Enterprises Inc. v. Wag and Train Inc.*, 2023 ONCA 92 (CanLII)] This is, in my view, how subsection 202(1) should be applied—where the directing mind(s) of a corporate landlord cause the landlord to do ‘wrongful’ acts—breach the RTA—the directing mind(s) can be found personally liable to tenants who are impacted by those wrongful acts.
59. In this case, the separate corporate personality of Star Tower is, in my view, being exploited by the Shareholders—who are also the directors of Star Towers—to run roughshod over the rights of the Tenants and to cause serious prejudice to the Tenants without fear of personal responsibility.
60. There is no doubt in my mind that Mr Rashid was personally responsible for the actions and conduct of Star Towers raised on the various applications that the Tenants have filed. I find the actions of Mr Rashid either alone or together with the other Shareholders caused Star Towers to: (a) fail to comply with the 11 Mar 24 Order; (b) change the locks to the units after the Court Enforcement Officer (Sheriff) enforced the 11 Mar 24 Order in contravention of section 24 of the RTA; and (c) ‘gut’ the units to render them uninhabitable, all of which were all wrongful.
61. There was no evidence before me concerning the involvement of Bushar Rashid or Aniqah Rashid in the day-to-day business of Star Towers. That is, however, because they did not attend the hearing on August 26, 2024 and it is, in my view, appropriate to make an adverse inference against Bushar Rashid and Aniqah Rashid based on their failure to attend on August 26, 2024 to provide evidence concerning their role in the day-to-day business of Star Towers despite my advising in the 19 Aug 24 Endorsement that I was considering exercising jurisdiction under section 202 of the RTA and directing that they attend on August 26, 2024.
62. Aside from the specific jurisdiction in section 202, the LTB has broad jurisdiction under the SPPA to make orders to prevent the abuse of its processes. [SPPA, s. 23(1)] In appropriate circumstances, that can, in my view, include disregarding the separate corporate personality of a corporate landlord to impose liability or responsibility on the shareholders.
63. In this case, the separate corporate personality of Star Towers has allowed the Shareholders to abuse the LTB’s processes. Not satisfied with the delays that were being experienced in getting an order terminating the tenancies and evicting the Tenants and standing behind the separate corporate existence of Star Towers, the Shareholders ignored the RTA and the applications they filed with the LTB in December of 2023, took matters into their own hands and, quite literally, ‘renovicted’ the Tenants leaving them without practical recourse against what appears to be an insolvent Star Towers.
64. In my view, so long as the Shareholders are allowed to hide behind the separate legal personality of Star Towers, the legal rights of the Tenants and the orders made by the LTB will continue to be ignored with impunity and the Shareholders will continue to take action and make decision without regard to the RTA or the orders of the LTB. In my view, it is only

if the separate legal personality of Star Towers is ignored and the Shareholders face personal responsibility for their actions and decisions that the interest of the Tenants will be adequately protected. For that reason, I am amending these applications to include Haroon Rashid, Bushar Rashid and Aniqah Maria Rashid as landlords/respondents.

### III. Subsequent Events

65. On September 6, 2024, the Tenants uploaded communications to TOP indicating the required payments had not been made to them as I directed on August 26, 2024. **[See DOC-4076720]**
66. I am, quite frankly, at a loss as to what it will take to get Star Towers and the Shareholders to comply with the RTA and orders of the LTB.
67. I have now exhausted the remedies available to me under the RTA—the accumulated fines owed by Star Towers now greatly exceed the LTB’s monetary jurisdiction and the (interim) compensation I have directed be paid to the Tenants by Star Towers and the Shareholders will soon exceed the LTB’s monetary jurisdiction<sup>6</sup>—and I am sorry to say the complaints made by the Tenants to the Residential Housing Enforcement Unit (the ‘RHEU’), appear anyway, to have fallen on deaf ears<sup>7</sup>.
68. Situations like this can bring the administration of justice as it relates to the residential tenancies into disrepute and cause the public to lose confidence in the LTB and its ability to protect the lawful interests of tenants in this Province.
69. The only avenue left is for the LTB to apply to the Divisional Court under subsection 13(1) of the *Statutory Powers Procedures Act*, which says:

**13 (1) Where any person without lawful excuse,...**

*(c) does any other thing that would, if the tribunal had been a court of law having power to commit for contempt, have been contempt of that court,*

*the tribunal may, of its own motion or on the motion of a party to the proceeding, state a case to the Divisional Court setting out the facts and that court may inquire into the matter and, after hearing any witnesses who may be produced against or on behalf of that person and after hearing any statement that may be offered in defence, punish or take steps for the punishment of that person in like manner as if he or she had been guilty of contempt of the court.*

### IV. Board Costs

70. During the hearing on August 26, 2024, Ms Hardy interrupted to advise me the Tenants had uploaded a Corporate Profile for Star Towers to TOP that identified the company’s directors. I told her that I had conducted a corporate search and was aware of the identity of the

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<sup>6</sup> While I have not yet heard the Tenants’ applications on the merits and have made no determination as to the ultimate compensation to which the Tenants are entitled, it is likely the case that they will be entitled to compensation of close to, if not more than, \$35,000.00.

<sup>7</sup> The Tenants contacted the RHEU in September of 2023: see DOC-2138197.

directors. I also advised Ms Hardy that the identity of the directors was not necessarily relevant—the issue was the identity of the shareholders, not the directors—and asked that she not interrupt the proceeding. Notwithstanding my request that she not interrupt the proceeding, Ms. Hardy again interrupted the proceeding to advise me again that information concerning the directors had been uploaded to TOP. I told Ms. Hardy that I had the information and that the directors of a company were not necessarily the shareholders. Ms Hardy persisted, and I directed her to pay \$50.0 in board costs. Ms Hardy then asked to excuse herself from the hearing. The Tenants did not object and I granted that request.

#### V. Administrative Fine—Mr. Rashid

71. On August 26, 2024, I indicated that I was going to impose an administrative fine on Mr. Rashid. However, it occurred to me afterwards that I have already imposed administrative fines in these proceedings against Star Towers that now exceed the LTB's \$35,000.00 monetary jurisdiction and the LTB likely lacks jurisdiction to impose further administrative fines in these applications. It may be appropriate for the LTB to impose an administrative fine on Mr. Rashid the other applications the Tenants have filed, but I will need to hear submissions on that issue before making any order in those applications.

#### VI. RTA Offences

72. Part XVI of the RTA creates various offences. It is an offence under the RTA for a landlord to:

- (a) knowingly withhold the reasonable supply of a vital service in contravention of section 21 of the RTA;
- (b) knowingly alter or cause to be altered the locking system on any door giving entry to a rental unit or the residential complex in a manner that contravenes section 24 or 35 of the RTA;
- (c) knowingly recover possession of a rental unit without complying with the requirements of sections 48.1, 49.1, 52, 54 or 55 of the RTA;
- (d) knowingly interfere with a tenant in such a manner that the tenant is induced to vacate the rental unit;
- (e) enter a rental unit where such entry is not permitted by sections 26, 27 or 142 or enter without first complying with the requirements of sections 26, 27 or 142; or
- (f) knowingly interfere with a tenant's reasonable enjoyment of a rental unit or the residential complex in which it is located **[RTA, ss. 233, 234 and]**

73. The RTA says that every director or officer of a corporation who knowingly concurs in an offence is guilty of an offence. **[RTA, s. 237]**

74. In this case, I am more than satisfied that Star Towers has committed offences under the RTA, and at least Mr. Rashid knowingly concurred in the committing of offences by Star Towers.

75. Unfortunately, the LTB does not have jurisdiction under Part XVI of the RTA. I am, however, hopeful the RHEU will investigate the issues identified in this order and take appropriate steps to address the conduct of Star Towers and Mr. Rashid to ensure that the message is sent to landlords in Ontario that blatant disregard for the RTA will not be tolerated. .

## VII. Other Applications

76. The L2 and L1 applications filed by Star Towers are stayed. Star Towers owes over \$105,000.00<sup>8</sup> in administrative fines and paragraph 196(1)(b) of the RTA says:

*196 (1) Upon receiving information that an applicant owes money to the Board as a result of having failed to pay any fine, fee or costs,...*

*(b) if the information is received after the application has been filed but before a hearing is held, the Board shall stay the proceeding until the fee, fine or costs have been paid and may discontinue the application in such circumstances as may be specified in the Rules;...*

77. The various applications filed by the Tenants can proceed to hearings on the merits. All of the applications will be heard together in the New Year. The directions in the 29 Sep 23 Order apply, subject to the timeless in that order being modified to reflect the dates for the delivery by the parties of their affidavit or declarations and briefs of documents. I will schedule a case conference in November of 2024 to establish the dates for the delivery by the parties of their affidavit or declarations and briefs of documents.

78. The Shareholders have not, as of yet anyway, been added as landlords/respondents on the other tenant applications, but I will consider a request by the Tenants to add the Shareholders, or any of them, as landlords/respondents at the case conference in November of 2024. At that case conference, Star Towers and the Shareholders should be prepared to address why the LTB should allow them to file materials or consider any materials filed by them in light of the failure to comply with orders made by the LTB.

### It is ordered that:

1. These applications are amended to add the Shareholders—Haroon Rashid, Bushar Rashid and Aniq Maria Rashid—as landlords/respondents.
2. On or before September 15, 2024, Mr Giblett shall: (a) deliver a copy of this order to each of the Shareholders; and (b) upload to TOP the contact information, including e-mail addresses, for each of the Shareholders or provide contact information for the legal representative(s) retained by the Shareholders.
3. On or before September 30, 2024, Star Towers and the Shareholders shall provide to the LTB a written report on the efforts made to find an investor or purchaser for the complex. That written report shall include: (a) the specifics of who Star Towers, the Shareholders or any of them have contacted to provide funding to Star Towers or to purchase the complex; (b) the status of any ongoing negotiations with any person or persons who have indicated

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<sup>8</sup> That represents \$35,000.00 per application, which is the extent of the LTB's monetary jurisdiction.

an interest in providing financing to Star Towers or purchase the complex; and (c) a timeline for the completion of a financing or sale transaction. This written report is to be uploaded to TOP.

4. On or before October 6, 2024, Star Towers and the Shareholders shall provide the LTB with a written update on the status of the forbearance arrangements RBC. That written update shall include copies of all documents and correspondence between Star Towers and RBC that have not already been provided to the LTB. This written update is to be uploaded to TOP.
5. Beginning on September 1, 2024 and on the 1<sup>st</sup> day of every month after that until the earlier of: (a) these applications are resolved or (b) the Tenants are put back into possession of their units, the Shareholders shall:
  - (a) pay to Morgaine Fae Wakunick-Fleury \$851.25 (\$710.00+\$141.25);
  - (b) pay to Stephanie Ann Wakunick \$532.75 (\$278.50+\$254.25); and
  - (c) pay to Jasmine-Lynn Carriere-Loney \$368.90 (\$278.50+\$90.40).
6. The obligations of the Shareholders under paragraph 5 are joint and several with Star Towers. The Tenants may recover the amount payable from any one of Star Towers or any of the Shareholders.
7. Ms Hardy shall pay board costs of \$50.00 to the LTB by September 30, 2024.

**September 17, 2024**  
**Date Issued**

  
\_\_\_\_\_  
E. Patrick Shea  
Vice Chair, Landlord and Tenant Board

15 Grosvenor Street, Ground Floor  
Toronto ON M7A 2G6

If you have any questions about this order, call 416-645-8080 or toll free at 1-888-332-3234.

Payment of the fine and costs must be made to the LTB by the deadline set out above. The fine and costs can be paid by certified cheque, bank draft or money order made payable to the Minister of Finance. If paying in person, the debt can also be paid by cash, credit card or debit card.

**Schedule A  
Applications**

<b>Application</b>	<b>Filed</b>	<b>Unit</b>	<b>Tenant</b>	<b>Type</b>	<b>Status</b>
LTB-L-008961-22	14 Feb 22	A	Morgaine Wakunisk-Fleury	L2/N13	Withdrawn.
LTB-L-021127-22	12 Apr 22			L2/N13	Dismissed by VC Shea 12 Jan 23.
LTB-L-006653-23	8 Feb 23			L2/N13	Dismissed by VC Shea on 29 Sep 23.
LTB-L-026900-23	13 Apr 23			L2/N13	Dismissed by VC Shea on 29 Se 23.
LTB-L-094923-23	12 Dec 23			L2/N13	Stayed (RTA, s. 196(1)).
LTB-T-034660-23	30 Apr 23			T2	Pending.
LTB-T-046709-22	18 Aug 22			T2	Pending.
LTB-T-073181-23	17 Sep 23			T2	Pending
LTB-T-023410-23	19 Mar 23			T1 and T6	Pending.
LTB-T-045979-23	9 Jun 23			T1, T2 and T6	Pending.
LTB-T-005463-24	22 Jan 24			T2	Pending.

LTB-L-008974-22	14 Feb 22	B	Stephanie Wakunick	L2/N13	Withdrawn.
LTB-L-070236-22	23 Nov 22			L1/N13	Withdrawn 12 Jan 23.
LTB-L-021122-22	12 Apr 22			L2/N13	Dismissed by VC Patchett 24 Oct 22.
LTB-L-006673-23	6 Feb 23			L1 and L2/N13	L2 dismissed by VC Shea on 29 Sep 23. L1 stayed (RTA, s. 196(1)).
LTB-L-026907-23	13 Apr 23			L1 and L2/N13	L2 dismissed by VC Shea on 29 Sep 23. L1 stayed (RTA, s. 196(1)).
LTB-L-070236-22	23 Nov 23			L2/N13	Withdrawn.
LTB-L-094924-23	12 Dec 23			L2/N13	Stayed (RTA, s. 196(1)).
LTB-T-011475-23	4 Feb 23			T2	Pending.
LTB-T-011488-23	5 Feb 23			T6	Pending.
LTB-T-015742-23	20 Feb 23			T1	Pending.
LTB-T-046011-23	10 Jun 23			T1, T2 and T6	Pending.
LTB-T-005460-24	22 Jan 24			T2	Pending.



LTB-L-000100-22	3 Jan 22	D	Jasmine-Lynn Carriere-Loney	L1	Dismissed by Member Johnson. LL to pay TT under RTA, s. 82.
LTB-L-008989-22	14 Feb 22			L2/N13	Withdrawn.
LTB-L-021119-22	12 Apr 22			L2/N13	Dismissed.
LTB-L-006668-23	8 Feb 23			L2/N13	Dismissed by VC Shea on 29 Sep 23.
LTB-L-026909-23	13 Apr 23			L2/N13	Dismissed by VC Shea on 29 Sep 23.
LTB-L-048460-23	19 Jun 23			L1	Stayed (RTA, s. 196(1)).
LTB-L-094925-23	12 Dec 23			L2/N13	Stayed (RTA, s. 196(1)).
LTB-T-046365-23	11 Jun 23			T1, T2 and T6	Pending.
LTB-T-073194-23	18 Sep 23			T2	Pending
LTB-T-005459-24	22 Jan 24			T2	Pending.